

Sidney, Nebraska July 22, 2025 A Fair Housing City

A meeting of the Mayor and Council of the City of Sidney, Nebraska, was convened in an open and public session at 5:30 p.m. on July 22, 2025, in the Council Room. Present in person were: Mayor Bondegard and Council Members: Kerkman, Kuhns, Radcliffe, Lee. Others present: City Manager Scott, City Clerk Borchert, City Attorney Strommen. Notice of the meeting was given in advance by publication in The Sidney-Sun Telegraph, the designated method for giving notice, a copy of the proof of publication attached to these minutes. Advance notice of the meeting was given to the members of the City Council and a copy of their acknowledgment of receipt of notice is attached to these minutes. Availability of the agenda was communicated in the advance notice and the notice to the City Council. All proceedings shown hereafter were taken while the convened meeting was open to the public's attendance.

Mayor Bondegard informed the public of the location of the posted Open Meetings Act.

Melissa Norgard, co-owner of Boss City Brewing, came before Council to share concerns about a reclassification for her power bill from small 3 phase power to large demand power due to exceeding the 50kw threshold. Norgard stated there was no prior notification that they had gone over and no opportunity to correct the issue before they got reclassified. Norgard requested that businesses would be notified if they approach or exceed the threshold and encourages Council to implement a notification system allowing a one-time grace period if the 50kw is exceeded. Norgard also requests that the ordinance is revisited so that it isn't such a long period to be on the large demand power.

Deanna Volkmer, representing the Living Memorial Gardens (LMG), stated that the Gardens are celebrating their 40th year. The celebration will be held on August 1st and invited Council to attend.

Colleen Langdon, President of LMG, stated that the celebration continues through August 2, with face painting a bounce house and other activities from 9:00 am to 1:00 pm. Langdon also gave thanks to the Parks Department.

Bondegard asked for a motion to approve the Council minutes. Kerkman moved, Lee seconded, "That the Council minutes from July 8, 2025 be approved." Roll call: Yeas: Kerkman, Kuhns, Bondegard, Radcliffe, Lee. Nays: None Motion approved.

City Manager Scott asked that Council confirm the appointment of Lori Wolf for the vacant 3-year term, ending October of 2025 to the Historic Preservation Board. Radcliffe moved, Kuhns seconded, "That Lori Wolff fulfill the 3-year term for the Historic Preservation Board." Roll call: Yeas: Kuhns, Bondegard, Radcliffe, Lee, Kerkman. Nays: None Motion approved.

Clerk Borchert asked Council to approve **Resolution 20250702**, the Class C liquor license for the Silver Dollar and manager application for Timothy G. Backer, 913 Illinois Street, and recommendation to the Liquor Control Commission. Tim Backer and Katlynne Mikkelson were present. Kerkman moved, Kuhns seconded, "That Resolution 20250702, the Class C liquor license for the Silver Dollar and manager application for Timothy G. Backer recommendation to the Liquor Control Commission be approved." Roll call: Yeas: Bondegard, Radcliffe, Lee, Kerkman, Kuhns. Nays: None Motion approved.

Ron Meyer, Chairman of the Airport Authority, and George Lapaseotes, Airport Manager, came before Council requesting a levy request of \$216,660.00 for the fiscal year 2025-2026, which is down from last year by \$16,447.00. Meyer stated funds help with maintenance and day-to-day operations. Kerkman asked about the traffic at the Airport. Lapaseotes stated that ten years ago the Airport was pumping 60,000 gallons of fuel. Today, it is over 100,000 gallons. This would include crop spraying, military, private charter and transient traveling across the country as well as medical. The Airport can serve small to mid-size jets. The Airport employees three people. Through WNCC, the aviation school has 18 students, which should increase to 35 to 45 students this year. Bondegard asked for a motion. Lee moved, Kerkman seconded, "That **Resolution 20250703**, allocating \$216,660.00 to the Airport Authority, be approved." Roll call: Yeas: Radcliffe, Lee, Kerkman, Kuhns, Bondegard. Nays: None Motion approved.

Bondegard asked for a motion to approve **Resolution 20250704**, updating the facsimile signatures. Kerkman moved, Kuhns seconded, "That Resolution 20250704, updating the facsimile signatures be approved." Roll call: Yeas: Lee, Kerkman, Kuhns, Bondegard, Radcliffe. Nays: None Motion approved.

Christine Radtke and Michelle Billups asked for Council approval to use Illinois Street for the Oktoberfest Parade. Bondegard asked for a motion. Radcliffe moved, Kuhns seconded, "That **Resolution 20250705**, to use Highway 30 for the Oktoberfest Parade and submit the request to the State of NE, Department of Roads be approved." Roll call: Yeas: Kerkman, Kuhns, Bondegard, Radcliffe, Lee. Nays: None Motion approved.

John Krajewski, JK Energy Consulting, gave an Electric Rate Presentation. Krajewski compared revenues and expenses for current budget and future years. Krajewski determined that on a cash basis, deficit of \$842,000 in FY 2025, increasing to a deficit of approximately \$1.2 million in fiscal year 2030. Rates would need to increase approximately 29%. Kerkman asked Krajewski if he could project efficiency improvement, such as admin improvements. Krajewski said that is not typically something that he does for a rate study. Krajewski gave a projected financial results to include a proposed rate plan 8% rate increased need in FY 2026 and 2027, 4% rate increases in FY 2028 and FY 2029, this rate plan would eliminate deficits by the end of FY 2029. Krajewski stated that if financials look good there would be nothing stopping the Council from passing a resolution to keep the rates where they are at. Lee stated that the presentation shows that a 29% is expected, but the rate increase shows 24%. Lee asked Krajewski if the City would be dipping into reserves. Krajewski said the City may have to, but the City has a healthy cash reserve. Krajewski stated that the City has not had an increase since 2018. Krajewski also reported that a home that had no electric service hooked up still costs the City about \$27 per month. It costs money to have a meter sitting there, it costs money to read the meter, it costs to have a wire running to serve every single customer, it costs money to send a bill. Krajewski went over the proposed rate changes and gave input on specific rate design issues. Annual costs for a typical residential customer rate increase in 2026 would be about \$8 per month and \$8.67 per month in 2027. Krajewski

concluded that the rate increases of 8% in FY 2026 and FY 2027 are necessary to ensure sufficient revenue to cover projected expenses. Increases should be implemented for all rate classes, while residential and general service rate classes should receive larger rate increases than other rate classes. The customer charge is less than the cost of service for residential customers. Lee mentioned that surrounding areas costs per kilowatt are lower but their meter rates were higher. Krajewski stated that this approach does phase in customer charges increases over the next four years. Krajewski believes that his approach in the ordinance is a reasonable way to get where we need to be. In Krajewski's report, he recommended an ordinance to be adopted to implement an 8% rate increase on October 2025, 8% rate increase on October 1, 2026, 4% rate increase on October 1, 2027 and 4% rate increase on October 1, 2028. Radcliffe asked if implementing all four rates is common. Krajewski said he has seen it implemented several ways. Fifty to sixty percent will implement a two-year rate change. Thirty percent prefer to do one year at a time. Three clients have done the 4-year implementation in the last five years. Krajewski stated that it comes down to the preference of Council. Scott asked Council if they would like him to address the verbiage of the 3-phase service to large service that was brought forth by the public. If someone goes over 50kw and we don't have something in place, they could be on that rate forever. Or we would have to hire extra employees to switch people over and go back and forth so we have to have some kind of transition of verbiage. Scott stated he would work with staff on the current verbiage that would make it less confusing. Bondegard asked if the City gets charged by MEAN for high demand. Scott responded that he didn't think so, we buy in bulk. Tom Mathine stated that the City is on a three-year or thirty-six-month demand peak (from MEAN) where the City (residents) only get charged for twenty three months if they hit that demand peak (from the City). Lee asked if those high peaks wear on the equipment. Lee continued that If the peak goes up and the City gives notice to bring it back down, but the customer continues to have it peak, we would have to upgrade the transformers and wires, so we would want to work with the customer to bring the cost down. Otherwise, it would cost everybody down the line if we don't charge that customer more money. Lee stated that the cost would then be spread out to everyone and that really wouldn't be fair. Scott asked Council if he should look at that paragraph in question. Krajewski said he could help and there is one other change that he could help mitigate. Radcliffe asked for confirmation from Krajewski, which Krajewski stated that Krajewski did the study considering the existing fund positions with investment balance and future year capital expenses. Krajewski stated that he had the financials up through last year, the budget for this year and actuals year to date. Krajewski said he had projections on MEAN costs and he self-developed those on MEAN's rate projections. Krajewski also had the capital improvement plans. Radcliffe asked if we had any big projects planned. Scott stated that we had the on-going underground and equipment purchases. There were no further questions.

Bondegard asked for a motion to designate the ordinance. Kerkman moved, Lee seconded, "That Ordinance 1876 be designated." Roll call: Yeas: Kuhns, Bondegard, Radcliffe, Lee, Kerkman. Nays: None Motion approved. Bondegard asked Clerk Borchert to read the title. Borchert read, "AN ORDINANCE OF THE CITY OF SIDNEY, NEBRASKA, RELATING TO ELECTRICAL RATES, EFFECTIVE DATE OF RATES, AMENDING SECTIONS 1048.04, 1048.05, 1048.06, 1048.065, 1048.11 AND 1048.13 OF THE CODIFIED ORDINANCES OF THE CITY OF SIDNEY, NEBRASKA; AND PROVIDING FOR PUBLICATION." Bondegard asked for a motion to waive the three readings. There was no motion. The second reading will be read at the August 12 meeting.

Heidi Gillespie, Director for the Cheyenne County Emergency Communications Center, came to present the interlocal agreement between the City, Cheyenne County and Deuel County with the Cheyenne County Communications Center for dispatch services, which is up for renewal. The City portion would be 55%, Cheyenne County 35% and Deuel at 10%. Bondegard asked for a motion. Kuhns moved, Lee seconded, "That the interlocal agreement be approved at the current financial percentage." Roll call: Yeas: Bondegard, Radcliffe, Lee, Kerkman, Kuhns. Nays: None Motion approved.

Brandy Stone, Development Director, stated that the City has been utilizing the Panhandle Area Development District (PADD) to serve as the grant administrator for the Downtown Revitalization Development Block Grant (CDGB) funds. The State needs this agreement between PADD and the City in order to continue with PADD as the administrator of our funds. Stone is requesting that Council sign the agreement between the City and PADD as the construction manager and allow for a payment request of \$22,855.00 in admin work already completed. Bondegard asked for a motion. Radcliffe moved, Kerkman seconded, "That the agreement between the City and PADD as the construction manager and allow payment of \$22,855.00 be approved." Roll call: Yeas: Radcliffe, Lee, Kerkman, Kuhns, Bondegard. Nays: None Motion approved.

Stone asked for Council written approval to proceed with the 75% reimbursement that the Downtown Revitalization covers, to the Fox Theatre, \$25,965.58 and Price Ice Cream, \$7,216.21. Kuhns moved, Radcliffe seconded, "That payment to the Fox Theatre for \$25,965.58 and Price Cream for \$7,216.21 be approved." Roll call: Yeas: Lee, Kerkman, Kuhns, Bondegard, Radcliffe. Nays: None Motion approved.

Joe McCarn, Chamber Director, presented the quarterly report to Council. McCarn stated that he had 28,432 contacts in person, email and by phone. McCarn reported 617 in attendance for events and 10 new members. Upcoming events are Non-Profit Fair 7/29, Living Memorial Gardens Ribbon Cutting 8/2, Viaero Social 8/7, Sidney Federal Social 8/21 and Winners Social 9/18.

David Scott thanked WNCC for hosting the job fair. CASA National Night Out is 8/5, Night of Hope is 8/8.

Stone stated that the Viral Video for Sidney had 21,000 views. The Creative District has purchased the mobile stage.

Kegan Carwin stated that we had 44 views.

Tom Mathine stated that electric staff has been in Sky Manor with the underground conversion. The generation station is finishing up. The solar is going strong.

Josh Hanson stated that he was looking into Alliance's ordinance on electric power. They base their demand quarterly.

Jeremy Lee thanked the Fox Theatre and Price Cream for taking the initiative to enhance Sidney. Lee thanked the Police Department for everything they do.

Brett Kerkman stated that Downtown Sounds was epic.

Rob Kuhns echoed Kerkman's sentiments. Kuhns reminded the public that the Fair has started.

Brandon Bondegard stated that Downtown Sounds was a great event.

Bondegard said that Council would go into closed session and asked for a motion. Radcliffe moved, "That Council go into closed session for the purpose of personnel." Lee seconded. Roll call: Yeas: Kerkman, Kuhns, Bondegard, Radcliffe, Lee. Nays: None. Motion approved. Session begins at 6:51 pm

Bondegard asked for a motion to come out of closed session for the purpose of personnel. Radcliffe moved, Kuhns seconded, "That closed session ends." Roll call: Yeas: Kerkman, Kuhns, Bondegard, Radcliffe, Lee. Nays: None. Motion approved. Closed session ended at 8:00 pm.

Meeting adjourned at 8:00 pm.

ATTEST: /s/Brandon Bondegard, Mayor

ATTEST: /s/Lori Borchert, City Clerk